

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

TIMOTHY GLENN WATTS

Plaintiff,

V.

**INFLECTION RISK SOLUTIONS
LLC**

Defendant.

CIVIL ACTION NO.

COMPLAINT

JURY TRIAL DEMANDED

PRELIMINARY STATEMENT

1. This is an action for damages brought by an individual consumer against Defendant Inflection Risk Solutions LLC (hereafter “Inflection”), for violations of the Fair Credit Reporting Act (hereafter the “FCRA”), 15 U.S.C. §§ 1681 *et seq.*, *as amended*. Under the FCRA, “consumer reports” subject to the statute’s protections include not simply those used in establishing the consumer’s eligibility for credit, but also those used for “employment purposes.” 15 U.S.C. § 1681a(d)(1)(B).

2. Defendant Inflection is a consumer reporting agency which provides, credit, background and employment screening services, and decision-making intelligence to prospective third party companies.

3. The FCRA was enacted “to insure that consumer reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer’s right to privacy,” 15 U.S.C. § 1681(a)(4), by operating “in a manner which is fair and equitable to the consumer, with regard to the confidentiality, accuracy, relevancy” of the consumer information they

disseminate. 15 U.S.C. § 1681(b). Congress included in the statutory scheme a series of protections that impose strict procedural rules on consumer reporting agencies such as Inflection. This action involves Defendant Inflection's systematic violation of several of those important rules.

JURISDICTION AND VENUE

4. Jurisdiction of this Court arises under 15 U.S.C. § 1681p and 28 U.S.C. § 1331.
5. Venue lies properly in this district pursuant to 28 U.S.C. § 1391(b).

PARTIES

6. Plaintiff Timothy Glenn Watts is an adult individual who resides in the State of New Jersey.

7. Defendant Inflection Risk Solutions LLC ("Inflection") is a business entity which provides background and employment screening services, risk-management services and products, information management products and services, and decisions-making intelligence. Inflection has a principal place of business located at 555 Twin Dolphin Drive #630 Redwood City, CA 94065.

FACTUAL ALLEGATIONS

8. In or around November 2020, Plaintiff applied for a rental with Airbnb, Inc ("Airbnb").

9. As part of his rental application, Plaintiff signed documents purportedly authorizing Airbnb to obtain a consumer report for rental screening purposes.

10. Airbnb requested a consumer report from Inflection and Inflection sold to Airbnb a consumer report concerning the Plaintiff in November 2020.

11. The reports furnished by Inflection were for rental screening purposes.

12. The consumer reports contained at least one item of information which was a matter of public record and of the type of information that was likely to have an adverse effect upon Plaintiff's ability to obtain a rental generally, and specifically with Airbnb.

13. Defendant Inflection has been reporting, and did here report, derogatory and inaccurate statements and information relating to Plaintiff and Plaintiff's criminal history and record to third parties ("inaccurate information").

14. The inaccurate information includes, but is not limited to, a criminal conviction that was expunged per Court Order in June 2016. The Court Order states that the criminal conviction was deemed not to have occurred and the petitioner may answer accordingly any question relating to its occurrence. Nonetheless, Inflection is falsely reporting the criminal history record.

15. The inaccurate information grossly disparages the Plaintiff and portrays him as a convicted criminal.

16. In creating and furnishing the Plaintiff's consumer report, Defendant failed to follow reasonable procedures to assure the maximum possible accuracy of the information it reported about the Plaintiff. Due to Inflection's faulty procedures it inaccurately reported Plaintiff's criminal record.

17. Plaintiff was subsequently denied a rental from Airbnb and Plaintiff was informed by Airbnb that the basis for this denial was the inaccurate criminal information that appears on Plaintiff's Inflection consumer report and that the inaccurate information was a substantial factor for the denial.

18. As a result of Defendant's conduct, Plaintiff has suffered actual damages in the form of lost employment opportunity, harm to reputation, and emotional distress, including anxiety, frustration, humiliation and embarrassment.

19. At all times pertinent hereto, Defendant was acting by and through its agents, servants and/or employees who were acting within the course and scope of its agency or employment, and under the direct supervision and control of the Defendant herein.

20. At all times pertinent hereto, the conduct of the Defendant as well as that of its agents, servants and/or employees, was intentional, willful, reckless, negligent, and in grossly negligent disregard for federal laws and the rights of the Plaintiff herein.

COUNT I – INFLECTION
VIOLATIONS OF THE FCRA

21. Plaintiff incorporates the foregoing paragraphs as though the same were set forth at length herein.

22. At all times pertinent hereto, Defendant Inflection was a "person" and a "consumer reporting agency" as those terms are defined by 15 U.S.C. §§ 1681a(b) and (f).

23. At all times pertinent hereto, the Plaintiff was a "consumer" as that term is defined by 15 U.S.C. § 1681a(c).

24. At all times pertinent hereto, the above-mentioned consumer reports were "consumer reports" as that term is defined by 15 U.S.C. § 1681a(d).

25. Pursuant to 15 U.S.C. § 1681n and 15 U.S.C. § 1681o, Defendant Inflection is liable to the Plaintiff for willfully and negligently failing to comply with the requirements imposed on a consumer reporting agency of information pursuant to 15 U.S.C. § 1681e(b).

26. The conduct of Defendant Inflection was a direct and proximate cause, as well as a substantial factor, in bringing about the serious injuries, actual damages and harm to the Plaintiff

outlined more fully above and, as a result, Defendant Inflection is liable to the Plaintiff for the full amount of statutory, actual and punitive damages, along with the attorney's fees and the costs of litigation, as well as such further relief, as may be permitted by law.

JURY TRIAL DEMAND

27. Plaintiff demands trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff seeks judgment in Plaintiff's favor and damages against Defendant Asurint, for the following requested relief:

- A. Actual damages;
- B. Statutory damages;
- C. Punitive damages;
- D. Costs and reasonable attorney's fees; and
- E. Such other and further relief as may be necessary, just and proper.

DESIGNATION OF TRIAL COUNSEL

Plaintiff hereby designates Alexis I. Lehmann and Mark D. Mailman as trial counsel in the above-captioned matter. Plaintiff reserves the right to amend this designation as necessary.

ARBITRATION CERTIFICATION

I, Alexis I. Lehmann, counsel of record do hereby certify pursuant to Local Civil Rule 201.1(d) that relief other than monetary damages is sought and that the damages sought are in excess of \$150,000. I further certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court.

Respectfully Submitted,

FRANCIS MAILMAN SOUMILAS, P.C.

BY: /s/ Alexis I. Lehmann
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Dated: February 26, 2021